

**Co-operatives**

**At**

**Work**

**Proceedings of the Pilot Project  
in Education and Training for  
Community Employment Co-operatives**

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## BACKGROUND TO THE PROJECT

By mid-1981 there were in Victoria up to twenty three community employment co-operatives either established or in the process of formation. Five of these (see page 3) have been subsidised through funding from the State Ministry of Employment and Training's Co-operative Development Program and others were anticipating applying for funding. The co-operatives ranged across Victoria and included 9 in the country and 14 in the metropolitan area. Their products and services were diverse — printing, waste recycling, adult tricycle production, chamois leathersgoods, rug making etc.

In August 1981 a planning group comprising the Business Adviser - Co-operative Federation of Victoria, Co-ordinator Transition Resource Unit, Co-ordinator Brunswick Work Co-operative and a representative of the Ministry of Employment and Training met together to implement a pilot education and training project designed to assist these co-operatives to fulfill their objectives of becoming viable business enterprises. Since many new employment co-operatives were due to receive Ministry funding in November/December 1981, it was deemed imperative to conduct the education and training program before the end of the year.

The Vocational Orientation Centre had a history of involvement with these newly emerging co-operatives and also extensive experience in providing education and training services to other groups in the community — Career Teachers, Community Workers etc. On the recommendation of the Planning Group, the VOC applied for and received \$14,030 from the Ministry of Employment and Training to organise a pilot project of education and training for the period November 1981 — January 1982.

Integral to that submission was a recognition of the need to employ a short-term project officer to facilitate and oversee the many organisational tasks involved. The Planning group employed Jeannette Fenelon in that capacity and met weekly with her throughout the duration of the project. The Ministry grant covered the costs of: residential conference; salaries of project officer and Business Consultants; TAFE lecturing fees; and business materials; Evaluation Report; the publication of these papers and the general administration of the Project.

The pilot Project was planned as an integrated series of five one-day workshops, the broad objectives of which are outlined below:

1. Provide a sound basis for small business practice which will enable co-operative groups to function more effectively as business enterprises.
2. Enable co-operative groups to assess their commitment to a co-operative business enterprise.
3. Provide a basis for determining the entrepreneurial abilities and needs of co-operative groups;
4. Enable co-operative groups to understand co-operative principles and practise their commitment to these.
5. Enable co-operative groups to understand the Co-operative Development Program.

It was decided that within the constraints of the short and immediate time period available that these objectives would best be met by providing a balance for participants between offering functional business skills and opportunities for formal and informal discussions and educational input on the roles and relationships within co-operatives.

The planning group decided on three, centrally located one-day business workshops. The last of these was to be immediately followed by a two day residential conference to enable participants to place their new business skills within the particular parameters of a co-operative employment philosophy.

During January and February 1982, the VOC project officer, in consultation with the planning group, published an Evaluation Report of the Pilot Project. Copies of that document were sent to all participant groups and further copies are available from the Vocational Orientation Centre's Library.

This publication covers the proceedings of the Pilot Project in greater detail. As well as recording major issues raised and discussed throughout the Pilot Project, a primary function of these papers is to expand and clarify those issues. To this end, participants' considered opinions, gained after the Program's completion are included, together with an overview by the planning group.

## PARTICIPANT GROUPS

The Pilot Project was attended by a total of sixty-two from twenty-one co-operatives/groups. The participants themselves spanned a wide range in terms of age, education and work background, period of involvement with their group and their roles within that group. A brief profile of participants is given below:

AGE	SEX	POSITION/PROSPECTIVE POSITION IN CO-OP	LENGTH OF TIME IN GROUP
Under 20 11%	Female 23%	Workers: 67%	1 year or less 48%
20-30 years 59%	Male 77%	Co-ordinators: 13%	1-2 years 39%
31+ years 30%		Directors: 20%	2-3 years 9%
			3 years + 4%

(+ = present, — = absent)

Name of Group	Role	Participants	Workshops	Conference
<b>Funded Co-operatives</b>				
Ballarat Co-op	W	Greg Potter	—	+
	D/C	Tony Gill	+	+
	W	David Dahlenburg	+	+
	W	Jenny Merkus	+	+
	W	Penelope Machonachie	+	+
	D	Liz Flynn	+	—
	W	Roberta Burge	+	—
	M	Frank Anderson	—	+
	D	Dennis Noone	—	+
	W	Heather Cameron	+	+
	M	Lyn Collins	—	+
	M	Chez Dichiera	—	+
Brunswick Work Co-op	C	Des Webster	+	+
	W	Gavin Murray	+	—
	W	Edward Clark	+	+
	W/D	Christine Clifford	+	+
	M	Gil Freeman	—	—
	D	Neville Stern	—	+
	M	Chris Reidy	—	+
Loch Ard Co-Op	W	Lyn Malone	—	+
	W	Sally Carey	+	+
	D	Ian Cosier	—	+
Warnambool	M	Eleanor Rayner	—	+
	W	Debbie Scarce	—	+
Bootstrap Co-op	W	Terry White	+	+
	D			
Learning Exchange Malvern	D/C	Peter Davis	+	+
<b>Unfunded Co-operatives</b>				
WORCO	W	Kevin Kosky	+	+
Sherbrooke Community Co-op	M	Julia Wong	+	—
	D	Richard Beer	+	+
	M	Brian Davis	+	—
	M	Dominic Nicholson	+	+
	M	Peter Sinclair	+	—
	D	Duncan Cawley	+	—
	M	Yvonne DeLacy	—	+
Mandurah Health Foodshop	M	Ian Faulkner	+	—
	W	Jenny Flynn	+	+
	W	Tania Bishop	+	+
	C	Peter Cox	—	+
PARC Maryborough	W	Bill Williams	—	+
	W	Steven Kingshot	+	+
	W	Patrick Hayes	+	—
	W	Maureen Fitzgerald	+	—
Wanderfood	W	Patsy Morrison	+	—
	W	Jeanette Wright	+	—
	W	Christine Chapman	+	—
	W	Colleen Romerl	+	—
St Kilda Food Co-op	M	Ken Leehane	+	+
	M	Gaye Booth	+	+
	D	Sue Herbst	+	—
	M	Norman Niklas	+	—
Collingwood Work Collective	W	Pauline Pope	—	+
	W	Craig Smith	+	+
	W	Eric Yecmans	+	+
DO IT CO-OP Doncaster	C	Caroline Pennington	—	+
	C	Dawn Phillips	—	+
Geelong Co-op	P	Robin Smith	—	+
Group Involvement Morwell	D/W	John Lemar	—	+
Shepparton Co-op for Disabled*	C/W	Leo Wigney	+	+
Turkish Women's Association of Victoria*	D/C	Judy Williams	+	+
	C	Muesser Olmez	+	+
HODJA Education Co-op	C	Ron Harper	—	+
Goldfields Community Radio*	C	Jeff Langdon	+	+

## CO-OPERATIVE PROFILES

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As part of the preparation of this report, the VOC surveyed thirteen co-operative groups in order to present a profile of their business ventures, shareholding arrangements, their organisational structure - including an occupation-profile of directors - and the degree of worker participation in the co-operatives. Listed below are those groups contacted - those marked with an \* are not at a stage where they could contribute information on directorial board or shareholding arrangements. The date refers not to date of their actual incorporation, but to their beginnings as a group.

Co-operative	Type	Number of Workers	Activities
Ballarat Employment Co-op (1979)	Community-based Community advancement Co-operative	Actual: 5 Proposed: 10	Kiosk, tree planting, cleaning, craft exchange, specialised clothing
Brunswick Work Co-operative (1979)	Community-based Trading Co-operative	5	Silk-screen and offset printing. Food co-op. Proposed: Publication of monthly magazine.
Maryborough Bootstrap Trading Co-operative (1978)	Community-based Manufacture and Trading Co-operative	Actual: 2 Proposed: 5	Manufacture of garments, cleaning materials and berets from chamois.
Loch Ard Trading Co-operative, Warrnambool	Community-based Trading Co-operative		Production and trading in craft products, retail health foods and recycling centre.
Public Images (1981)	Worker-based Service/Producer Co-operative	5 full-time	Design and painting of public murals
* Disabled Workers Co-operative, Shepparton (1981)			Feasibility study into manufacture of craft products.
Maryborough Producers and Recycling Co-operative PARC (1979)	Community-based Manufacturing Co-operative	2	Manufacture of tricycles for adults. Design and manufacture of wheelchairs.
Turkish Women's Co-operative (1981)	Community/Worker based Trading Co-operative		Feasibility study into manufacture and retail of Turkish carpets and handicrafts
Goldfields Community Radio Co-operative, Castlemain (1977)	Community-based Community Advancement Co-operative	3 full-time actively involved 70 volunteers	Trading:- cassettes of program. Service:- meeting community needs for alternative broadcasting.
WORCO 1979)	Community-based Service/Trading Co-operative		Assist unemployed to establish their own business - woodwork, carpet cleaning and renovation, pate making
The Learning Exchange Co-operative, Malvern (1972)	Community-based Service Trading Co-operative	1 full-time 3 part-time Proposed: 2 full-time 5 part-time, Committed	Maintenance of information service and publication of monthly newspaper.
Sherbrooke Community Co-operative (1981)	Community-based Manufacturing and Community Advancement Co-operative		Manufacture of clothes hoist and mobile chicken coop. Help people become self-employed: hire of equipment and other resources.
* St. Kilda Food Co-op	Worker and Community-based Trading Co-operative		Maintenance of a food co-operative

# **The Pilot Project**

## BUSINESS WORKSHOPS

The small business training component of the Pilot Project was devised and conducted by staff at Whitehorse College of TAFE, Box Hill. Since those workshops were scheduled for normal working hours, three days or eighteen session hours were deemed a reasonable time allocation. It was further decided to schedule the workshops a week apart — to allow for optimum assimilation and application of new material and business skills.

The content and orientation of the course was agreed upon in consultation with staff from Whitehorse. Those involved in the planning and organising of the Project are grateful to the staff at Whitehorse for their co-operation in meeting the planned training needs at a busy time in their academic year. The participant response to the workshops was very positive. Their response is evidence of the work Whitehorse staff invested in designing a course, at short notice, to suit the diversity in age, education and work background and skill levels among participants.

Due to the short planning time available to them there were naturally business areas such as the specifics of retail trading and marketing which had to be deleted or treated in an introductory manner. That time constraint too made it difficult to always present the principles of sound business practice in a co-operative framework. However, in detailing a comprehensive outline of the tasks and responsibilities intrinsic to business viability, the workshops provided a fuller understanding of the day-to-day operations of their co-operative small businesses.

For example, the Workshop input on basic business conventions relating generally to managerial tasks gave a further meaning to discussions of the interactive aspects of a Manager's Co-operative context.

The broad areas covered in the three one day workshops were presented sequentially and their inter-relationship, in sound business practice was highlighted.

Following is the session breakdown and a brief outline of topics.

Business Area		Topics	Comments:
1. Basic Book-keeping	30.11.81 7.12.81 11.12.81	Business Documents Cash journals Bank Reconciliation	Supplementary material included a booklet, 'Record Keeping for Small Business'. This contained copies of all the documents presented, plus a series of practical exercises thus helping to re-inforce material covered in the session.
2. Debtors	7.12.81 11.12.81	Cost of debtors and Records Systems and Control	Covered issues related to why credit is given and its cost. Supplemented and extended the session in Area 1, since the documents detailed in that session are integral to Debtor Control. Hand-outs were explicit and precise.
3. Cash Budgets	30.11.81	Outline:	Extension of material covered in area 4 & 5.
4. Working	30.11.81 7.12.81	The Balance Sheet Control of Working Capital	Two films, 'The Balance Sheet Barrier' and 'The Control of Working Capital' were discussion starters. All information was reinforced through practical exercises.
5. Business Planning	30.11.81 7.12.81 11.12.81	Basic Planning Wages Tax	The new Australian film, 'Plain Sailing', formed the basis for discussion on management, attention to book-keeping and the need for market research. The importance of planning, in a systematic way, was emphasised.

## THE CONFERENCE

Immediately following those workshops a two-day Residential Conference was convened at the Ballarat College of Advanced Education. Ballarat was chosen as the venue because of comfortable, cheap accommodation and meeting spaces together with excellent low-cost catering.

In essence the final two days of the Pilot Project were planned to complement and extend the workshops preceding them by exploring the co-operative context of the small businesses in which participants were involved.

The Conference provided an opportunity for people actively involved in a wide range of co-operatives to meet to discuss the day-to-day and realities of the co-operative enterprise.

The basic objectives of the Conference were:

To explore the roles of Co-operative Directory, Manager/Co-ordinator and Worker in order to clarify the 'Job Description' or task-orientated aspect of those roles.

To discuss the ways in which the above personnel do and/or should relate within the co-operative's organisational structure.

To discuss the commitment personnel must make, what they can make to the success of their co-operative as a business and a co-operative.

To discuss the role of co-operatives — both in relation to traditional work options and to the wider socio-political context.



## CONFERENCE PROGRAM

<u>Saturday 12 December</u>		
Session	Facilitator/s	Comments/Focus
1. Presentation of paper to whole group "Achievements, Problems and Prospects" of Community Employment Co-operatives.	David Griffiths	Established one of the themes of the Conference - "There need be no conflict between sound business principles and co-operative practice"
2. Small Discussion Groups Workers x 2 groups Co-ordinators x 1 group Directors x 1 group	Barbara Hammond David Griffiths Brian Greer Malcolm Rodgers	Participants examined the tasks/roles of co-operative personnel and their relationship within the co-op organisational structure.
3. Whole Group. Report back from discussion groups	Tony Gill Richard Beer Ted Clark Sally Carey	One person from each group highlighted the major issues discussed. A broad framework of the defining characteristics of roles/tasks of Director Co-ordinator/Worker emerged.
4. Synthesis Whole group	Malcolm Rodgers	Mr Rodgers focussed on five salient issues arising from the day's discussion. These included type, function of and objectives of Co-operative; viability/survival, and political and economic forces on co-operatives.
5. Informal dinner provided for participants		
<u>Sunday 13 December</u>		
Session	Facilitator	Focus/Comments
1. Marketing Paper followed by questions	Rhett Walker	Mr Walker clearly outlined the five basic steps necessary to effectively apply the principles of marketing. Reiterated that co-operatives must function using sound business principles.
2. Presenting of paper and discussion 'The Balance Within Co-operatives'	Malcolm Rodgers	Mr Rodgers drew on NSW experience to detail some of the factors which affect a balance between a co-operative's aims and its effective operation.
3. Presentation of video 'Mondragon' -- and follow-up discussion	Neville Stern	Mr Stern discussed the content of the video and extended discussion to address the issue of co-operative education and co-operative and social change.
4. Closing Session Discussion and feed-back from whole group	Jeannette Fenelon	The assembly gave an assessment of their learning gains and unanimously stated a need for further education and training. Ms Fenelon thanked all participants and resource personnel for a lively and informative two days.
Special Note: The planning group met between each session and continually revised its proposed agenda to adapt to the needs of participants.		

## CONFERENCE DISCUSSIONS

Though originally planned to take an hour or so, the group discussions on roles of co-operative personnel, actual and ideal, took most of day one.

Participants were allocated to one of four groups according to their role, or proposed role, within their co-operatives.\*

In discussing those roles, the following questions were posed: Naturally the composition of each group determined the emphasis of the session.

- o What are the advantages/disadvantages of having a manager?
- o What are the main tasks of a Manager/Co-ordinator?
- o What are the criteria for choosing a Manager?
- o Do workers have the skills and/or time to be Directors?
- o Should a worker be a director?
- o How should members be involved in their co-operative?
- o How should a worker/director determine priority commitments to 'work' and 'directorship'?
- o What should the worker contribute to the co-operative?
- o Does your group manage without a Manager? How?
- o What are the major differences between managing and directing?
- o What are the main roles or tasks of Directors?

As well as the task/component of the director, manager and worker role the groups discussed the co-operative organisational structure in which these personnel relate. The focus of the questions below was on understanding how an organisational structure can either foster or obstruct the optimum participation in decision making, which in turn affects the ultimate operation of a viable but *co-operatively* run business. The differences between worker-based and community-based co-operatives were also discussed.

- o What do you think the decision-making structure of a co-operative should be?
- o How do you encourage participation in all areas of a co-operative?
- o How do you stop directors/managers/co-ordinators from preventing participation by others in the co-op?
- o How do you resolve conflicts, if any, between workers and directors in your group?
- o How should co-operatives make management decisions?
- o How can co-ops stop being dependent on one or two individuals?
- o What communication methods are used in your group? Are they effective?
- o Is there a difference between worker-based and community-based co-operatives?
- o Are the roles/tasks of directors co-ordinators and workers different in each? In what ways?
- o What are the advantages, disadvantages of each type?



\* Workshop facilitators for those groups were:  
 Barbara Hammond: Group 1 Workers  
 Malcolm Rodgers: Group 2 Workers  
 Brian Greer: Group 3 Co-ordinators  
 David Griffiths: Group 4 Directors

## REPORT BACK

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A Report Back session was held immediately following the extended discussion on roles and the ensuing relationships within a co-operative organisational structure. One representative from each group aimed to present a summary of the major issues raised – thereby allowing all participants to share the differing perspectives on the topics discussed. From that Report there emerged a recognisable framework composed of some of the defining characteristics of the *tasks* of director, co-ordinator and worker – as listed below:

DIRECTOR	CO-ORDINATOR	WORKERS
<ul style="list-style-type: none"> <li>o make long-term decisions</li> <li>o devise guidelines</li> <li>o hire and fire staff</li> <li>o be legally liable</li> <li>o be accessible to members</li> </ul>	<ul style="list-style-type: none"> <li>o make day-to-day decisions</li> <li>o report from workers to board and vice versa</li> <li>o keep adequate up-to-date records</li> <li>o set objectives</li> <li>o consult with workers</li> </ul>	<ul style="list-style-type: none"> <li>o participate as fully as possible</li> <li>o outline role of co-ordinator and directors</li> <li>o communicate with directors and co-ordinator</li> </ul>

The Report Back session was valuable both in highlighting the areas of consensus between all groups and also in capturing the different emphasis groups gave to various issues. In the interest of brevity, the obvious overlap between roles/tasks was not presented in the Report Back. The difficulties involved in actually performing those roles – articulated in discussion groups by those working in established co-operatives – will be taken up as an issue later in this report. So too will the relative advantages/disadvantages of worker-based and community-based co-operatives.

After the Report Back it was unanimously decided that Malcolm Rodgers attempt to extract from the assembly what they considered to be the salient points raised in the day's discussions.

The list of twelve points below, on the left, represents areas suggested by the assembly as major issues. Their sequence reflects that in which they were raised.

1. Conditions of employment & membership
2. Power & decision-making
3. Survival
4. Social objectives
5. Clarify Organisational Objectives
6. Co-op objectives
7. Ideology & strategy – what kind of co-ops
8. Who is responsible and accountable to whom
9. Real prospects for co-ops
10. Why a co-op, why not a business
11. State subsidy, pros/cons
12. Turning decisions into action

The five points, on the right, emerge as a synthesis of the groups discussion.

1. What kind of Co-op and what basic function?
2. Organisational structure
3. Viability/Survival
4. Co-ops in the Political and Economic world
5. Objectives of Co-ops

Obviously at the end of a mentally wearing day, the salient points that emerged were a compromise and tentative. There was no time for debate on the significance of points.

## CO-OPERATIVES IN A SOCIAL CONTEXT

Due to lack of time, the role of co-operatives in society was only touched on in the Saturday discussion

It was taken up as an issue the following day by Malcolm Rodgers (NSW Workers Co-operatives Advisory Unit) and Neville Stern (Director – Brunswick Work Co-operative).

In discussing the role of co-operatives in a socio-political context – their relationship to unemployment and to the traditional view of work – the following questions were raised:

- o Are co-operatives part of an alternative to private enterprise?
- o Can co-operatives be seen as just another business?
- o Can you reconcile the social and business objectives of co-operatives?
- o What is the relevance to employment opportunities and to unemployment of worker-based and community-based co-operatives?
- o What social economic and political factors could affect their survival?
- o Is it possible and/or desirable to encourage co-operation between co-operatives?
- o Are co-operatives part of a move towards social change?

To a great extent many of the above questions are explored in the papers presented by resource personnel at the Conference and re-printed in this report. Certainly the need to clearly outline co-operative objectives and the fact that these need not be in conflict with business objectives was highlighted by a number of speakers.

# Conference Papers

**ACHIEVEMENTS PROBLEMS AND PROSPECTS OF COMMUNITY EMPLOYMENT CO-OPERATIVES**

**David Griffiths (M.E.A.T.)**

**MARKETING AND CO-OPERATIVES**

**Rhett Walker (Business Consultant)**

**CO-OPERATIVE STRUCTURES**

**Malcolm Rodgers (NSW Co-operative Advisory Unit)**

**CO-OPERATIVES AND SOCIAL CHANGE**

**Neville Stern (Brunswick Work Co-operative)**

## THE ACHIEVEMENTS, PROBLEMS AND PROSPECTS OF VICTORIA'S COMMUNITY EMPLOYMENT CO-OPERATIVES

David Griffiths  
Ministry of Employment and Training,  
12th December, 1981

The purpose of this paper is to briefly discuss the achievements, problems and prospects of Victoria's community employment co-operatives.

The co-operatives have been established by individuals and groups concerned about unemployment and the unemployed, about the lack of job opportunities and the need for communities to develop effective and relevant responses.

In Victoria the community employment co-operatives are supported by a Co-operative Development Program established by the Ministry of Employment and Training in April, 1981.

What the program offers community employment co-operatives is essentially twofold:

- Financial Resources
- Management Resources

Under capitalisation is a major problem for communities and workers attempting to establish and develop their own business enterprises. The Ministry's Co-operative Development Program provides grants for eligible co-operatives. The grants are intentionally broad in their scope and include subsidised wages, capital equipment and overheads. For the 1981-82 financial year the Ministry of Employment and Training has allocated \$600,000 for the support of community employment co-operatives.

Business inexperience is also a major problem for community employment co-operatives. Without the necessary experience and skills, funds will be misused and wasted. Under the Program the Co-operative Federation of Victoria has been funded to employ a Co-operative Business Adviser. Workshops and conferences have also been funded: 23-24 May, 1981 (Ballarat), 30 November, 7 and 11 December, 1981 (Whitehorse Technical College) and 12-13 December, 1981 (Ballarat). Funds have also been made available for a co-operative training and education newsletter — the Co-operative Review. If the lack of management expertise is a problem for co-operatives, then the Co-operative Development Program provides this expertise.

### The Achievements

The real achievements of the community employment co-operatives will be long-term rather than short-term. The normal, accepted time span before any small business could be expected to provide a profit is three to five years.

It is realistic, however, to expect co-operatives to demonstrate that they are moving towards achieving self-sufficiency.

The orientation of the co-operatives has changed over the last eight months — from welfare-based to business-based assumptions and attitudes. There is increasing realisation that the Program supports the establishment of co-operative business enterprises which aim to become viable and profitable and, thereby, provides jobs.

In the past co-operatives such as the Bootstrap Trading Co-operative, the Loch Ard Trading Co-operative and the Brunswick Work Co-operative have prepared submissions which have relied more on hopes, assertions and assurances rather than carefully articulated and integrated management, marketing and financial considerations. The Program requires business plans rather than submissions — plans which set out economic objectives, an organisational structure for meeting these objectives, a financial analysis and projections and a marketing strategy. The transition from a welfare-based submission to an economically-based business plan has been difficult for all the co-operatives and has necessitated the adoption of different attitudes and assumptions. A business plan is the very basis upon which viability and profitability are possible. While the plan cannot guarantee viability and profitability, it does provide the basis for converting this objective into a possibility.

There is the realisation that business principles and practices are a methodology rather than an ideology. Social objectives and business objectives are not necessarily in contradiction. It really depends on a systematic analysis of objectives and the definition, application and the organisational inter-relationship between social and business objectives. The assumed tension between profit objectives and co-operative objectives depends on the nature of the co-operative objectives. There is a real problem if co-operative objectives are equated with welfare objectives.

It could be argued, for instance, that a recycling centre should be seen as offering transitional employment opportunities for unemployed young males. This could be seen as a desirable social objective. But it could be argued that to assume temporary employment is to reinforce the possibility that young males employed at the recycling centre will remain workers for rather than co-operators within the co-operative. It assumes also that there are meaningful permanent job opportunities outside the co-operative. It assumes that there is nothing intrinsic to working with a co-operative.

It could also be argued by a printing co-operative that access to its resources and training opportunities are desirable social objectives. But then, the ability to provide access and training opportunities depends on the ability of the co-operative to meet its business objectives by generating sufficient income to subsidise the cost of providing access and training. Unless income is sufficient, then, there will be no access and no training.

**'The significance of the community employment co-operatives lies beyond their increasing business orientation and commitment. Community employment co-operatives are community-based innovative business attempts by local communities and workers to control local work and resources by and for local residents and workers through co-operative business enterprises. Locally-based co-operative business enterprises are seen to be equitable and democratic business enterprises.'**

The adoption of viability and profitability objectives does not necessarily mean that social objectives are distorted and displaced. While there is a tension between business and social objectives, this tension is inevitable and ongoing and a reconciliation is difficult and at best ambivalent. To simply assert the primacy of social objectives over business objectives and to justify business illiteracy as serving social objectives is self-indulgent and sloganeering.

The interest in community employment co-operative business enterprises has widened and the number of incorporated co-operatives has steadily increased. The range of interests, participants and the business areas in the co-operative groups reflects a fascinating diversity.

It has been an achievement of the Program and the co-operatives that progress has been slow and steady. The establishment and development of an effective co-operative business enterprise is a complex task. Any new small business has an uncertain future in the market place. It is especially risky when an innovative co-operative structure is the rationale for the existence of a group. The co-operatives face the reality that the commercial success or failure of a single new product or service could determine their survival.

But then, the Co-operative Development Program does provide venture capital. Under-capitalisation is a problem for all small businesses and co-operatives. Of course, under-capitalisation is a matter of definition and dependent on the capitalisation required to achieve objectives. The problem with this venture capital at present is that it is in the form of grants and, therefore, provides generous support and there is a danger that this support could encourage dependence rather than independence. The

process of assessing applicants needs to be careful to ensure that applicants meet the funding conditions and that there is a real possibility of self-sufficiency. A careful assessment does need to be made as to the extent that applicants are co-operatives and business enterprises.

The significance of the community employment co-operatives lies beyond their increasing business orientation and commitment.

Community employment co-operatives are community-based innovative business attempts by local communities and workers to control local work and resources by and for local residents and workers through co-operative business enterprises. Locally-based co-operative business enterprises are seen to be equitable and democratic business enterprises.

The co-operatives, therefore, can be seen as exemplary organisations which attempt to exemplify in their own structure and conduct an alternative set of social and business ideals – the quality of human relationships, democratic decision-making, socially useful products and services and restructuring the nature of work.

But it is difficult to become an exemplary organisation when confusion over goals makes it unclear as to what the co-operatives really exemplify, how they are alternative, and what they are being alternative to, and how really alternative they are. Exemplary organisations may just be different from established organisations and are not necessarily, in intention or effect, in opposition to them. More traditional business enterprises have been restructured to exemplify the quality of human relationships and democratic decision-making without having to establish a co-operative structure. In as much, however, as the co-operatives are loosely or firmly linked with the concept of change they provide an exemplary organisation rather than an adversary organisation which is primarily concerned with opposing and altering the existing social order.

The Co-operative Development Program is attempting to establish whether or not it is possible to establish community-based and/or worker-based new and/or conversion/modified co-operative business enterprises which become long-term viable business enterprises and which, through their viability, create permanent employment opportunities for the unemployed. The three forms of co-operatives are distinct and they could be described as follows:

Co-operative	Definition	Examples
Community-based	Ownership and control lies with local community members. Workers may be community members.	Brunswick Work Co-op Ballarat Employment Co-op Maryborough Bootstrap Trading Co-op Loch Ard Trading Co-op
Worker-based	Ownership and control lies with workers. Workers are members and members are workers.	Public Images Wanderfood Shepparton Disabled Workers
Conversion/Modified	Ownership and control can be either community-based or worker-based.	There are no Victorian co-operative examples.

The emphasis of the New South Wales Government's Co-operative Program is on worker-based co-operatives. The initial co-operatives established in Victoria were community-based, but in recent months there has been increasing interest in worker-based co-operatives. As far as the Victorian experience is concerned, both forms of co-operatives could become viable as long as there is no ideological and organisational confusion concerning objectives, structures and activities. If there is confusion then, the failure of the co-operatives as business enterprises is pre-determined.

## The Problems

The community employment co-operatives have experienced the inevitable problems of individuals and groups inexperienced in business.

There is a view that it is possible and desirable to learn more from failure than success and that the struggle to establish a business by inexperienced people is invariably a learning experience involving committing basic business errors. It is important to learn from failure, but such a view could become self-indulgent – an excuse for carelessness, impatience and incompetence when the errors are recognised and identified. Business enterprises for, by and with the unemployed should be established, structured and developed in the same way as any other business enterprise that seeks to survive and succeed.

As a result of business inexperience and ignorance, the co-operatives have individually and/or collectively experienced these difficulties:

**Downgrading the need for experience:** While the need for experience can be over-rated, costly mistakes can be avoided by inexperienced co-operatives if they recognise the value of competent management and decision-making, developing skills within the co-operative and using outside experts appropriately.

**Sloppy record-keeping:** Without proper and accurate record-keeping, costly mistakes can occur. Accurate and adequate records are necessary to help in the preparation of realistic tenders and job estimates, identifying loss and profit areas, obtaining adequate insurance cover, backing up claims for tax deductions, preparing business plans and the preparation of monthly cash flow and profit and loss statements and monthly balance sheets.

**Reckless money management:** It is critically important to use whatever money you have to maximum effect and this involves effectively managing the inflow and outflow of money. If you are reckless you will buy unnecessary quantities of stock, give your debtors too much time to pay, pay your creditors too soon and not vet petty cash claims. An adequate financial reporting system needs to be established so that the information required for business decisions is available.

**Failure to plan:** Planning is crucial to ensure the maximum effective usage of resources – particularly if these records are limited. Planning involves determining objectives and methods for reaching these objectives. Unless you do this, you will be moving from one crisis to the next.

**Misuse of time:** With too much to do and too little time to do it in, it is essential to budget time. This means that priorities have to be identified and that the most is done with the time that you do have.

**Inattention to marketing:** It's not enough to produce goods and provide a service. Both have to be marketed. It's also not good enough to provide the service or product and conduct marketing afterwards. Poor marketing occurs when a service or product is provided but doesn't sell because an adequate market never existed, because you're competing against established and successful products and services, because the services or products you're offering are obsolete or unsaleable, because of inaccurate pricing and because of poor location.

**Ignoring the people:** Members, directors, workers and customers are the people who make and/or break a co-operative, and individually they have their own needs, expectations and demands. It is sometimes incorrectly assumed that co-operation is automatically created by the establishment of a co-operative.

**Profitability:** Co-operative business ventures have to balance between the service concept and commercial viability. Commercial viability includes a profit level that allows for business downturns, cost increases and needed expansion. Social objectives and business objectives need to be identified and confronted.

**Management:** the management of a co-operative has to be sophisticated and multi-skilled. Management decision-making is essential and co-operatives must develop structures and processes for making such decisions. Management could be shared and/or delegated.



**Members:** It is important for shareholders to be active and committed — members need to accept the importance of purchasing more shares, making additional subscriptions for capital, attending general meetings of members and using the services and products of the co-operative. Member equity is an ultimate determinant of viability. Too low levels of initial capital provided by members will fail to attract loans and secure commitment.

**Directors:** It is critical that the directors see the co-operative as a genuine alternative business enterprise and are committed to achieving viability. The relationship between directors, workers and members needs to be identified and resolved.

The critical context for these factors is the economic and financial environment which makes it difficult for any business venture to be established and survive. This is even more so with co-operatives which are treated warily by financial institutions because they suspect the business efficiency and democratic structures of co-operatives. Furthermore, co-operatives that seek to employ the unemployed are also seen to be employing the least productive and useful labour. The Co-operative Development Program, then, attempts to address the problems of under-capitalisation and business inexperience.

An equally important critical context has been the failure of some individuals and groups to correctly perceive the business-based objectives and conditions of the Program. In persisting with welfare-based assumptions and attitudes, it is not surprising that such individuals and groups have failed to develop co-operatives based on sound business principles and practices.

Perhaps it would be useful to consider the Funding Conditions of the Program, the basis of these conditions and the difficulties in implementing these conditions.

Groups funded need to be co-operative business enterprises and there are two inter-dependent concepts involved — a co-operative and a business enterprise. It would be useful, therefore, to discuss each of these concepts separately and, then, to consider their inter-relationship.

**'The democratic nature of co-operatives depends on members and directors . . . The opportunity to participate does not produce participation.'**

What is a co-operative? This is both a simple and complex question. A co-operative is a particular form of legal entity which differs from other legal entities. The differences lie essentially in ownership and control differences. The ownership and control of a co-operative lies with the individual members of the co-operative and this democratisation is protected by legislative provisions that each member has only one vote irrespective of shareholding, restrictions are placed on the maximum percentage of total shares that any one shareholder can own, shares cannot be sold on the open market and there is only one class of share.

The democratic nature of co-operatives depends on members and directors. The board meetings of the Ballarat, Bootstrap, Loch Ard and Brunswick co-operatives are open to workers and members. But then, open meetings do not mean that workers and members *choose* to participate. The opportunity to participate does not produce participation. Through inefficiency, the principle of openness can be discouraged in practice. If minutes of meetings are not prepared, typed and distributed it is difficult to find out what has been decided and the basis of that decision. Only one co-operative has adopted the practice of issuing minutes within weeks of meetings and distributing these to 30 members who serve on various sub-committees. Another co-operative does type and distribute minutes to directors and workers, but later rather than sooner. The remaining co-operatives tend to simply maintain their meeting minute books, but even then the writing up of minutes tends to be belated.

A major issue lies with the recruitment process of attracting members, workers and directors. A co-operative business enterprise is formed as a perceived response to unemployment and, not surprisingly many members of the community are sympathetic and therefore offer to join as members and provide voluntary work. The act of becoming a member, then, is to support a worthwhile cause that is of genuine interest and concern. The problem is that the commitment is limited because it competes with other equally worthy commitments and because the commitment is externalised as 'us' helping 'them'. Becoming a member may be a way of making a donation to the co-operative and the commitment ceases rather than begins with the acquisition of shares. Members are shareholders rather than co-operators.

A co-operative exists when a group of people with a common need form a co-operative to meet that need, e.g. child care requirements, the distribution and marketing of milk, bulk purchasing of grocery items, the availability of cheap fresh food and a group of unemployed requiring work. A real co-operative, therefore, exists when the providers of a service are the users and/or controllers of the service.

As a result, some groups such as the Mandurah health food shop in Terang, the proposed disabled workers' co-operative in Shepparton, the Public Images group in Williamstown, the Goldfields Community Radio Co-operative in Castlemaine and the Wanderfood groups based in Elwood are more co-operative in impetus and structure than other community employment co-operatives, who are initiated by concerned members of the community attempting to create job opportunities for the unemployed. The Maryborough Bootstrap Trading Co-operative, the Box Hill Workforce Co-operative, the Loch Ard Trading Co-operative and the Frankston Motor Cycle Park Co-operative are co-operatives initiated by concerned people rather than participants and beneficiaries of such co-operatives.

The difference between the concerned-based and participant-based co-operative is not clear-cut, however, and can change over a period of time. In particular, the Brunswick Work Co-operative, the Ballarat Employment Co-operative and the proposed Turkish Women's Co-operative fall midway between a concerned-based and participant-based co-operative. The Loch Ard Co-operative is developing a producer-member base. The Frankston Motor Cycle Park Co-operative could easily develop a strong user-member base.

Both concerned-based and participant-based co-operatives are eligible for funding under the Program. The eligibility of the concerned-based co-operative does, however, depend on the extent that the concerned identify with the co-operative as their co-operative rather than a co-operative for the unemployed. A problem that needs to be avoided with a concerned-based co-operative is that the concerned see their involvement as temporary and ultimately there is no co-operative membership and the concerned have established a business enterprise rather than a co-operative business enterprise. Furthermore, unemployed people recruited to work for a co-operative may see themselves as employees rather than co-operators. After all, the co-operative was established by 'them' (the concerned) for 'them' (the unemployed). The co-operative commitment, then, is critical to the success of co-operative business enterprises.

Co-operatives also need to be business enterprises. A business enterprise is an enterprise that seeks to cover its cost by the sale of goods and/or services in the market. The purchasers of these goods and/or services may be households, other private business enterprises and the public sector.

The basic test of a group being able to function as a business enterprise is the development and on-going review of a business plan. Planning is essential to any business enterprise whether it is a sole trader, partnership, company or co-operative. The plan has several basic ingredients — business objectives, a proposed product and/or service, a proposed organisational and management structure, a marketing strategy and a financial plan. In summary, then, the business plan of a co-operative must address these issues:

**The proposed product or service.** Why is it necessary? Why will it succeed? How it compares with existing products or services.

**Ownership.** The owners of the business venture.

**Management.** The organisational structure of the business venture. Financial management details.

**Marketing and Selling.** What markets will be served? Why will they be served? How will they be served?

**Production and Technical.** What facilities are necessary for the product and/or service and how they should be acquired.

**Finance.** Capital required for what purposes and what period of time. Potential sources of capital. Cash flow projections.

The Funding Conditions of the Program assume that funded co-operative business enterprises are both co-operatives and business enterprises. The Funding Conditions are consistent with the required practice of an efficient business. Yet, some co-operatives and groups are reluctant to comply with the Funding Conditions.

The argument for non or belated compliance with the Funding Conditions is usually expressed in terms of survival priorities, i.e. that the business of running a business must take priority over meeting the Funding Conditions of the Program, that co-operatives do not have the necessary skills to meet the requirements and that the requirements are a time-consuming distraction. Unhappily, such views are tunnel-visioned and, indeed, reflect a careless, amateurish and ill-informed approach to running a business. In particular, section 6 (v) of the Funding Conditions required funded co-operatives to provide:

- o monthly cash flow statements, balance sheets and profit and loss statements
- o copies of all management committee minutes and any associated documents considered by the management committee
- o quarterly reports indicating the extent to which the goals of self-sufficiency was being attained
- o audited statements on the use of the loans and grants, on completion of the project or when applying for further funding.

It would be useful, therefore, to consider the business arguments for monthly profit and loss statements, cash flow statements and balance sheets — their preparation and application critically determines the viability of a business and whether or not co-operators are in control of their co-operative.

A cash-flow projection is critical in enabling a business to see how it is going at any particular point of time, where the profits of a business are a measure of its viability, the flow of cash in and out of the business are its lifeblood. Cash-flow planning should be for at least twelve months on a monthly basis.

**'The basic test of a group being able to function as a business enterprise is the development and ongoing review of a business plan. Planning is essential to any business enterprise whether it is a sole trader, partnership, company or co-operative.'**

The net cash flow is positive when receipts exceed payments and negative when payments exceed receipts. Comparing actual receipts and expenditure against the cash-flow projection enables a realistic assessment as to how the business is going. This monitoring enables a business to take early corrective steps if the cash-flow situation is not as it should be. This will tell you how much cash you have to pay creditors, purchase stock and equipment and meet the unforeseen.

Monthly balance sheets show the financial position of the co-operative — what is owned (the assets) and what is owed (the liabilities). Assets are those items which could be converted into cash quickly. Liabilities are amounts owing which need to be paid in the near future. While balance sheets are normally done annually, with a new co-operative business it is advisable that this is done on a monthly basis.

A monthly profit and loss statement is also necessary. This covers income and expenditure for the month and how this compares with previous and projected income and expenditure. Costs are deducted from income to determine profit. This will enable an assessment of whether the co-operative is selling enough, whether goods and/or services are underpriced, whether or not creditors are being paid too quickly and whether or not debtors are being chased up quickly enough.

The preparation of monthly cash-flow statement, profit and loss statements and balance sheets are an indicator of business efficiency and a basis upon which the co-operatives can effectively monitor and control their own progress. The same information also increases the capacity of the Ministry to monitor the progress of the co-operatives.

It is also important to stress the overall importance of complying with the Funding Conditions of the Program. The Ministry is responsible for the disbursement of public moneys and, therefore, money granted to co-operatives must be on the basis of meeting the objectives and conditions of the Program. Failure to do so is economically, administratively and politically irresponsible. The funding of co-operatives who cannot or persistently and seriously fail to meet the conditions of the Program is not possible.

The reasons why groups have difficulties in coming to terms with the objectives and conditions of the Program ultimately reflect business inefficiency and incompetence. The resources of the Program are available for communities and workers who are serious and committed about establishing a co-operative business enterprise and who realise the significance of meeting the Program's objectives and Funding Conditions.

### **The Prospects**

The prospects for community employment co-operatives depend upon a number of inter-dependent variables:

- a. the ability of the co-operatives to develop entrepreneurial and management skills;
- b. the ability of the co-operatives to carefully recruit active and committed workers and/or members,
- c. the ability of the co-operatives to develop a co-operative management structure;
- d. public attitudes towards the desirability of co-operatives business enterprises;
- e. the ability of the co-operatives to exploit real business opportunities and to be competitive;
- f. the ability of each co-operative to develop effective co-operative education that integrates commitment, loyalty and democracy;
- g. the willingness of individual co-operatives to develop a cohesive co-operative movement;
- h. the ability of the co-operatives to increase income and expand employment opportunities.

The Co-operative Development Program provides resources to co-operative business enterprises. The onus is on funded co-operatives to use these resources intelligently and responsibly. While not underestimating the difficulties, negative assumptions and attitudes about the future of the Program and the co-operatives could be self-fulfilling and self-defeating.

Community employment co-operatives lie somewhere between private sector and public sector enterprises. The extent to which they become public sector and/or public sector enterprises is to be determined.

Rhett Walker Business Consultant

Now I'd like to suggest to you that the challenge and problems of growth, development and viability which face you are essentially no different to those faced by small business operators, because in fact that is who you are.

Correspondingly, the principles of business practice which lead to success in any enterprise are just as relevant in your context.

I'd like to refer you to a comment made by David Griffiths in the paper he delivered at the previous workshop here in Ballarat. In that address he stated 'that all co-operatives suffer from the perennial problem of how to build a co-operative that both achieves its objectives and economically survives.' It may be fairly put that this very same challenge presents itself to all business enterprises and by its nature necessitates, and indeed caused to bring about very considerable development in the concept of marketing.

### **The Role of Marketing**

Essentially, the principle of Marketing is the process by which products/services/business concepts are matched with markets...it's the process of determining consumer demand for a product or service, motivating its sale, and distributing it into ultimate consumption at a profit. Put more simply (by The SBDC booklet on Marketing): Marketing is finding out what consumers want, then setting out to meet their needs.

This principle can and should be applied in *your* business, irregardless of size, in the same way that the basic principles of business practice and selling apply to all business. Only the relative scale differs from business to business.

Today we live in a world where, generally speaking, supply in just about all areas of activity is greater than demand. Therefore, supply, and its success rate, is *controlled* by demand. If you are one supplier (in broad context), with doubtless competition, it is essential that you find out first what people want and then allocate your resources accordingly.

Marketing objectives may be defined as securing that part of the market which a company/business wishes to acquire, by offering it some product/service/concept which research (homework) has shown is wanted by the market or a part of it.

The essence of marketing strategy is positioning: i.e. determining and fulfilling those potential 'gaps' in the marketplace in such a manner as to successfully generate in your prospective consumer's mind that perception that your product/service/concept is a competitively appealing alternative to whatever else is available.

To again quote The SBDC's booklet on Marketing: 'Find a need and fill it!'

Selling, then consequently becomes a function of pre-determined marketing strategy and objectives.

### **Advertising and Sales Promotion**

Advertising is getting your message to the greatest number of people/prospective consumers in the least possible time, and at a lower cost than by personal selling.

Advertising is the *cause* of sales, and should not be thought of as an *effect* of sales...something you can only afford when things are OK. If you can't creatively tell your customers, actual and prospective, who you are and what you're about,

- (i) the prospectives won't know you exist, and
- (ii) the actuals will take you for granted and have no basis for loyalty when competition comes along.

So here are 5 basic steps in order to effectively apply some of the basic principles of marketing, advertising and sales promotion to *your* particular advantage....

1. Review your total available market, analyse and understand it, and then choose those segments which appear to offer the best opportunity for the marketing of *your* particular enterprise. Find a unique position in your market that your enterprise can dominate. And this research of your market should include analysis of your competitors...don't under-estimate them.
2. Ensure that all aspects of your enterprise are in tune with your defined target market...their determined needs and desires. By 'all aspects' I mean the basic premise or essence of your enterprise, its location, the manner in which it's packaged and/or presented and represented, the manner in which it's communicated, advertised and promoted.
3. Tell the market who you are and what you're about. Advertise and promote yourself *and* your business, and the specific benefits to the customer of your business.
4. Sales promotion promotes sales. This means not necessarily selling products more cheaply than your competitors, but rather finding ways to make your enterprise appear more appealing to your customers than do your competitors'. There's an almost infinite number of ways to do this. Simply open the mind and let the creative energy flow! The key however lies in understanding your target customer's needs, and then tapping in local community activities may also be an important part of this activity.
5. Don't overlook the development and projection of your corporate image. Major companies invest millions of dollars on this, and the concepts of corporate image projection is just as relevant and important for smaller businesses. And it wouldn't necessarily cost any money at all. For example: Do what you do well. Present your self and your enterprise smartly. Find the ways to be, and to appear to be more professional and more efficient than your competitors. Create with your customers the sense that you know best about not only your particular enterprise but the total industry in which you participate, especially as it affects your customers and their needs.



Now in closing I'd like to leave you with a particular thought, and challenge. Firstly, let me put it to you that you're all here, in the context of co-operatives, for reasons other than making a million \$ or achieving great corporate success/status. If these *were* your motivating reasons then you wouldn't be doing what you're doing *now*.

No, I put it to you that your prime motivational influence is an idealistic one...the opportunity to create an alternate lifestyle for yourself, and others. The opportunity to demonstrate that there are ways of creating a successful and viable working life and environment *other* than those traditionally accepted.

**'Only by creating a viable, a self-sustaining enterprise will you prove that your ideal has value, and will you create the necessary environment for that ideal to grow and prosper.'**

Now I happen to support the philosophy of questioning...of exploring and finding new and better ways. But there are two risks:

1. Unnecessary and cost wasting of time and efforts and money re-inventing the wheel.
2. That you might fail. And *if* you fail, it will be very easy for people generally to say that you failed because the idea was essentially unworkable...hair-brained...airy-fairy anyway. It couldn't sustain itself. They won't bother to examine whether maybe the failure was due only to factors such as insufficient internal support systems, poor mechanics, inept administration. And the concept or ideal will be dismissed with one quick brush.

You must not let this happen.

If the ideal is worth pursuing, then recognise that of itself it is not enough.

You must employ a strength and quality of basic business practice comparable to any normal commercial enterprise if your ideal is to become a viable business concept and not *just* an ideal.

Only by creating a viable, a self-sustaining enterprise will you prove that your ideal has value, and will you create the necessary environment for that ideal to grow and prosper.

I leave you today with this charge, and a sincere offer to help you in whatever ways I can to successfully actualise what I perceive to be some very stimulating, innovative and necessary ideals.

## CO-OPERATIVE STRUCTURES

Malcolm Rodgers (NSW Co-operative Advisory Unit)

Malcolm Rodgers of the Co-operative Advisory Unit, NSW Worker Co-operative Development Committee, attended the conference and acted as facilitator in group discussions. He also addressed the assembly on the fundamental principles of co-operatives; their organisational structures; how a structure affects balance in a co-operative and the main factors which determine success or failure of a co-operative venture.

Outlined below, taken from Mr Rodger's notes provided to us, are the major points he presented:

### Basic Question:

Is there some reason why co-ops are an especially appropriate form of business for job creation?

If there is an answer to this, it is in Co-op Principles not in Co-op Legislation.

Principles are commitments to look at things in a particular way, and to make sure that what you do is done in accordance with that way or working at things.

Look at co-op principles looking for the "theory" behind what you're doing.

If you co-op's not trying to put these principles into practice - you're not going to be a co-op

### CO-OP PRINCIPLES

#### Open Membership

- \* Voluntary membership
- \* No discrimination on political, racial, religious or sex grounds.
- \* Open to all who can make use of services and will accept responsibilities of membership.

#### Democratic Organisations

- \* Equal voting rights (one person, one vote)
- \* Members to participate in decisions affecting the co-op
- \* Affairs to be administered by people elected/appointed by members and accountable to them.

#### Limited Interest in Share Capital

- \* Groups use capital to achieve their objectives
- \* Co-ops aim to make money to go on providing services, not to make lots of money for a few people
- \* Fair but limited reward for capital
- \* Restrict the influence of share capital

#### Surplus of Savings: Belong to members

- \* Should be distributed in such a way as to avoid one member gaining at the expense of others



## LOOKING AT STRUCTURES

One important point about co-ops that's neglected in practice by most is STRUCTURE (especially in relation to democratic control).

Co-ops must worry about how to structure themselves to put the principles into practice.

What are you trying to get from a co-op structure?

A structure that puts into practice:

- \* Co-op principles
- \* Co-op balance
- \* Members' ideas about fairness

Structures should be tested against these standards.

### Major Issues in a Co-op Structure

- 1) Qualification for membership
- 2) Shareholdings/Stakeholdings of members
- 3) The Board -
  - How is it made up?
  - How is it elected?
  - What is its function?

### What Will Make a Worker Co-op Work?

**Most of all:** The people who will be the members of the co-op — the workers

2. All the members of a future co-op (The Co-op Group) need to agree about three basic questions:

- A) What is the link that ties the group together? (Why are we here?)
- B) What is the group trying to achieve? (What do we want from the co-op?)
- C) How will the group achieve its goals? (How are we going to get it?)

Once the group has answered these questions, all the future members will know:

- \* Why the co-op is being set up
- \* What the co-op's going to do (what service the member will get from it)
- \* How the co-op's going to provide services to members

Good worker co-op structures do a kind of balancing act.

They balance different interests in the co-op.

Useful way to think about this (especially for business in co-ops) is CO-OP BALANCE

### CO-OP BALANCE

CAPITAL	LABOUR
INDIVIDUAL INTEREST	GROUP INTEREST
DEMOCRATIC CONTROL	EFFICIENT MANAGEMENT
INTERESTS OF ENTERPRISE	INTERESTS OF COMMUNITY
INDIVIDUAL RESPONSIBILITY	COLLECTIVE RESPONSIBILITY
INDEPENDENCE	DEPENDENCE ON SUPPORT ORGANISATIONS

Now that you know what you're on about, you need to think about setting up a structure that will get it done.

You can't get these structures without:

- \* Worker members who understand what worker co-ops are and how they work
- \* Worker members being committed to worker co-ops
- \* Worker members developing their skills through training and education
- \* Worker members putting their money into the business
- \* Worker members being prepared to share losses as well as profits
- \* Worker members having a clear picture of their rights and responsibilities as members of the co-op

Your rights as a member of a worker co-op will be:

- \* The right to vote at general meetings
- \* The right to move motions/resolutions at a general meeting
- \* The right to act with other members to call a general meeting
- \* The right to be elected as a director (Board member)
- \* The right to share with other members in making or changing the rules of the co-op
- \* The right to be informed about the co-op's policies and operations
- \* The right to withdraw your membership

and

- \* The right to share in the results of the co-op, including the right to share profit

Your responsibilities as a member of a worker co-op will be:

- \* Knowing the rules of the co-op
- \* Obeying the rules of the co-op
- \* Contributing share money to the co-op
- \* Attending all meetings of the co-op
- \* Taking Care of any co-op property you use
- \* Educating yourself about the co-op and its activities so you can participate fully
- \* Being loyal to your co-op

## CO-OPERATIVES AND SOCIAL CHANGE

### Neville Stern (Brunswick Work Co-Operative)

Neville Stern has been involved with Brunswick Work Co-operative for many years — both in helping to establish the Co-operative and as one of its Directors. Neville attended the second day of the Ballarat Conference and facilitated discussion about the video on Mondragon and also centring on co-operatives in a broader social context.

### SOME REFLECTIONS ON THE BALLARAT CONFERENCE

#### Market Solutions for Social Problems?

One of the dangerous assumptions conveyed so easily by documentaries on MONDRAGON (and it is an explicit assumption of the Co-operative Development Program and the Plan Ahead To Get Ahead campaign of the Ministry) is that an entrepreneurial approach to the 'market' will ultimately provide the solution to social problems — in particular unemployment.

It's open to debate whether the assumption disguises true experience that market *problems* often stand in the way of social solutions. It's doubtful whether the market will support co-operative enterprises in sufficient numbers in key areas. Furthermore, there is enough evidence around to make a good case for the notion that the very nature of market mechanisms (capitalisation needs, profit requirements, the strengths of private or multinational accumulations of capital in influencing governments and economies) stands in the way of such goals as full employment, an equitable distribution of wealth and the ownership of the means of production.

I don't mean to be dispiriting. Rather, the understanding of such problems should lead to a clear strategy on what to *do* with co-operatives under the Development Program. At the very least we might not be sucked in by the (eventually destructive, disillusioning) belief that community-based work/worker co-operatives will do anything about unemployment in the short term.

What I'm putting up for discussion here and at future conferences of this kind is a starting point for alternative strategies.

Given that the probabilities of success (self-sufficiency, permanent and expanding job opportunities) are not high, it seems to me that only a few co-ops will survive out of the large number of hopeful ventures so far. They'll survive because of factors such as state assistance as well as funding a genuine market niche. What importance then, attaches to the survivors? Is it all a waste of time because nothing has happened on a large scale, or because society has not been demonstrably reconstructed on socially just lines? My thoughts are, first of all, that presence is better than absence. Better some co-ops than none. They provide:

1. A foothold in the market economy, with the potential of contributing to a wider co-operative industrial base.
2. Membership for an identifiable co-operative movement, where political strength lies in grouping and whose policies *can* be shaped and publicly demonstrated.
3. Locally, a pressure which is both a *model* and a *lever* for community development.

We should accept that the whole basis of the co-operatives we're involved in is experimental. They represent trial strategic mixes of community, public sector and individual worker contributions. In general people are short of ideas and even shorter of experience. What price job creation these days, when all we have so far is a list of band-aid failures? The 'seminal co-ops' over the next couple of years are exercises in *seeding* local communities with a demonstrable potential for new approaches to work *education*. This is one reason to look for and set up *new* areas of production while competing with the old. The potential for new careers in community environment work, say, of the CERES Project in Brunswick, is a good example of these new directions.

We can — and should — temper any grand ideas of solving unemployment in the short term. Every effort should go into securing the survival of any group that looks likely to 'make it', and into ensuring that it's firmly married to the community co-operative movement. The political advantages of this approach in the long term can only be realised if, in the short term, we aren't fooled into worshipping flimsy gods either of the market-place or of the imminent reconstruction of society.

# Issues:

Participants judged the discussion sessions to be valuable and requested an extension of the major issues raised therein. The following pages aim to amplify the main areas covered both during the Conference and in follow-up contact with participants. Broadly, those issues centred on:

- o The defining characteristics of a co-operative
- o The tension between the theory and practice of co-operation: case studies
- o Organisational structures of co-operatives: worker based  
community based
- o Directors in community-based co-operatives - background and implications
- o The features of community-based and worker-based co-operatives

## CO-OPERATIVES: A DEFINITION

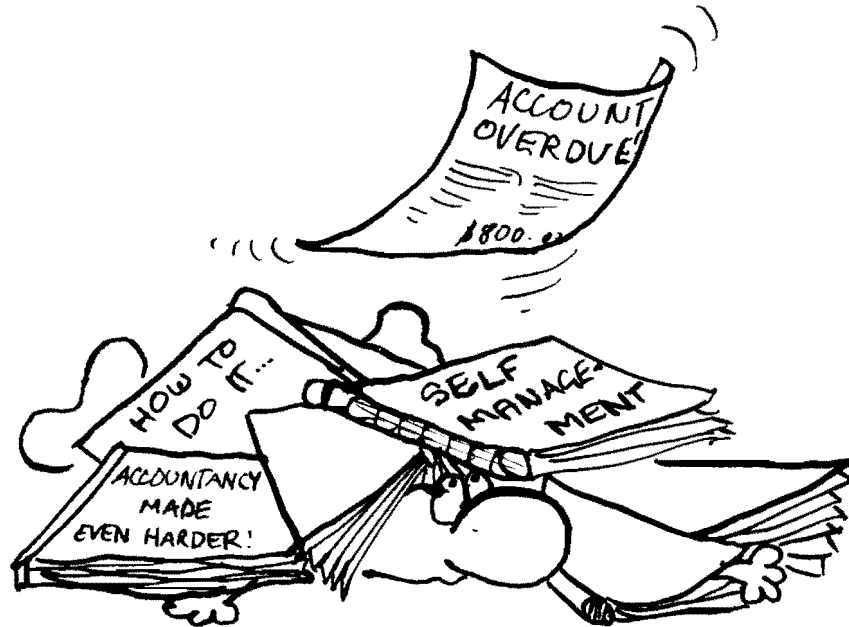
### The Business of Co-operating

Whilst participants unanimously recognised the need for their co-operative enterprises to follow established business principles in order to become viable business enterprises, it was the characteristics which distinguish a *co-operative business* which posed an organisational challenge.

In theory a co-operative

- o begins with and enhances the commitment of its participants
- o is formed to meet a common need which individual effort could not achieve
- o is, therefore, democratic in its decision-making

Before continuing with a discussion of the tension between the theory and practice which in turn makes a co-operative a more rewarding but more difficult organisational problem, it would be useful to contrast the co-operative enterprise with traditional business enterprises.



#### *Investor owned Business*

- o Essentially a union of capital
- o Organised by entrepreneurs to attract and serve customers
- o Profits belong to corporation
- o Profits are distributed by Board of Directors, usually in proportion to the share holdings
- o Controlled by majority of shares
- o Decision-making by top management, rarely in consultation with workers and/or shareholders
- o Shareholders have little if any direct say in the running of the business

#### *Co-operative Business*

- o Essentially a union of people
- o Organised by participants to serve themselves and others
- o Profits belong to user-members
- o Profits distributed by membership, usually in proportion to the support of their co-operative
- o Controlled by majority of members
- o Operates on one-person, one vote principle in decision-making. Decisions made in consultation with members
- o Shareholders/members have a say in *their* co-operative's direction

## PARTICIPANTS' COMMENTS

A range of participants were telephoned in January to give a considered opinion of issues raised and/or clarified in the Ballarat Conference. Below are some of those responses:

Statement: Müesser Olmez and Judy Williams, Turkish Women's Association

We found the discussion on roles within a co-operative both interesting and beneficial. As we don't yet have an operating co-operative it wasn't possible to gain maximum benefit from the information presented. However, it was useful, in our early planning stage, to see the different ways a co-operative can be structured. It is our aim to ensure that future workers gain assistance with both English language skills and the skills necessary to allow full participation in decision-making. The importance of that participation was made clear in the discussions. We would be interested in taking part in future workshops.

Statement: Jenny Merkus, Ballarat Employment Co-operative

In my discussion group at the Conference we focused on the relative advantages/disadvantages of worker-based and community-based co-operatives.

The discussion raised and clarified a number of issues. For instance there seemed to be consensus about the fact that within worker-based co-ops there was a higher degree of commitment by Directors who were also workers simply because they had an immediate stake in how well the business was going. Also any decisions taken at a Board Level were more likely to be relevant than in a Community-based Board, because the Worker/Directors were involved in the day-to-day running of the place.

One of the problems we discussed is that the lines of accountability are blurred and the democratic, collective decision-making process can be unwieldy. When it comes to concrete issues like quality control of the co-op's product or service, it can be difficult to make decisions along totally democratic lines.

In relation to Community-based co-operatives the obvious problem of Directors being inaccessible — due to their being over-committed in their other work and community interests — was raised. A result of that can be that the Co-ordinator or Manager could be invested with too much power and overall work/responsibility. In Community co-ops Co-ordinators are often the go-between for Workers to Directors and vice versa.

One major advantage of Community Employment Co-operatives is the financial and other support offered by the Community.

Although we didn't discuss strategies in overcoming these problems I'll suggest that one way is to do what we have done in Ballarat. That is to have a Planning and Policy Committee, comprised solely of workers and this Committee makes recommendations to the Board on day-to-day and major policy decisions.



Statement: Jeff Langdon, Goldfields Community Radio

There was general discussion about the nature of co-operatives – the difference between participant controlled, worker co-operatives and community (do-gooder) controlled co-ops. It seemed to some that the concept of a co-operative was inconsistent with the operation of some community co-operatives where a group of people, usually community leaders sets up a co-operative for and on behalf of another group – usually young unemployed.

The discussion about Co-ordinator/Managers centred largely around the experience of Brunswick and Ballarat. The relationship between Co-ordinator and worker and Co-ordinator and Director was of concern to some. There was some talk about division of the management tasks among co-operative workers. However it was felt by the majority that although the philosophy of co-ops may be different from that of normal capitalist business, its management is usually similar since proper managerial practices have evolved to what they are through time and experience.

There are certain managerial tasks that need to be done irrespective of the nature of the business. Equally, there are various entrepreneurial tasks that need to be done: promotion, marketing, PR etc. It may be that the size of the business necessitates a number of these tasks being handled by one person – the Co-ordinator. The way decisions are made or not made in co-ops was discussed. The usual problem of democratic versus autocratic decision-making paralleling no-action versus action was discussed with no real insights gained.

Overall there were not enough Co-ordinators in the group – 2 only – or enough consensus about the nature of co-operatives to enable any real progress to be made into the role of Co-ordinator in a co-operative.

Statement: Craig Smith, Collingwood Work Co-operative

The balance between Directors and Workers roles became more clear. I realised that it was essential to have communication between these two in order to further the development of worker-based co-operatives. The Manager and Workers can use the Director to implement their ideas.

Richard Beer: Chairman of the Board, Sherbrooke Community Workshop Co-operative

In concentrating much of the discussion at the Ballarat Conference on the relative merits of community-based and worker-based co-operatives, the worker-based structure emerged as a potential means of overcoming many of the drawbacks of community control. The fundamental problem of community-based groups of all kinds, whether co-operatives or not, stems from the relatively low level of priority which committed and non-dependent directors are generally able to give a community enterprise. Worker control, however, has natural advantages from its inherent high level of commitment and dependence among its directors. It is this difference in priority given to the enterprise which would cause considerable variations in the relationship between managers and directors. For example, when a deeply committed manager or worker is to be directed by a partially committed or complacent director, then problems could arise. Perhaps the ideal board would have a marginal majority of workers and the balance being management expertise.

Peter Davis: The Learning Exchange Co-operative

The most important gain for me from the Workshops and Conference was the contact with such a wide range of people involved in diverse co-operative businesses.

In 'The Learning Exchange' I am the paid Co-ordinator but I'm certainly also a worker in a more general sense – some of my 'work' being outside working hours – I'm also a Director on the Board. So, the discussions at the Conference about the roles/functions of Director, Worker, Co-ordinator and an inter-relationship between those distinct roles was not relevant to my experience. In a sense though it broadened my view of what those roles could and should be and I became more aware of the conflicts which could be part of a co-operative.

## PRACTISING CO-OPERATION

To place the issues of the respective power and commitment of co-operative personnel in a more realistic context, it was decided to ask people who had been working in established co-operatives for some time to write frankly about their experiences.

The following remarks are taken from articles written by two such people - Firstly, a worker of two years in a trading co-operative.

### Workers' Comments

"My involvement as a worker is good but in the decision-making area it could be improved. Although I am more involved in this area than other workers, I still find I am told what to do instead of being asked my opinions."

"I have found within our co-operative that some people have difficulty fitting into working or being involved in a co-operative. They're more familiar with the conventional workplace where management and workers are very much apart. These people find it hard to listen to other people's opinions and tend to be overstrong in their own ideas."

"One problem I can see at the moment is the lack of understanding and commitment from directors...They are highly skilled men and have a range of useful expertise but are not always available when needed due to their other work commitments. Therefore some of their expertise goes to waste."

"When I first started working here I did my job as I was told and accepted that situation as I didn't know any different. Over the last year or so I have been attending most of the co-operative meetings and conferences and now know where I stand regarding my rights as a worker. I still find it difficult to express my opinions to directors and often feel intimidated by them but this is changing as I grow more confident and get to understand how a co-operative can run more co-operatively. With the continuation of co-operative education these problems can be solved especially if directors become involved in learning and putting into practice co-operative principles."



*One of the murals painted by Public Images*



### Co-ordinator's Comments

A co-ordinator/director of over two years contributed the following outline of Co-ordinator/Manager tasks:

The initial or developmental stage, often prior to any firm organisational structure or co-operative entity, requires the following tasks to be undertaken.

Act as a Resource person to:

- a) Establish links with Community advisers
- b) See voluntary skilled assistance from community e.g. Lawyers, Accountants, Marketing etc.
- c) Follow-up business prospects
- d) Delegate responsibility

Still at an early stage: once the Co-operative takes a definite form with a core group of interested people, the Co-ordinating person must try to maintain that early enthusiastic commitment and to focus it on essential tasks. It is easy too, to forget the original reasons for choosing a co-operative structure and the Co-ordinator must remain vigilant in order to constantly re-kindle the commitment to Co-operative principles and practice. To do this s/he can

- \* Foster in-service discussions on roles of Directors, Workers and Co-ordinators, with a film, video or article acting to centre that discussion
- \* Encourage workers and Directors to participate as fully as possible in the Co-op
- \* Participate in any Education and Training offered

As well as that educative role the Co-ordinator acts to advise directors and workers on recent developments and future courses of action in relation to the business enterprises. In fact s/he must ensure that an adequate communication system, not totally reliant on a Co-ordinator, is established and maintained.

One area that seems to rest squarely with the Co-ordinator is the maintenance of financial and other reports. Though many of the 'duties' of a Co-ordinator can and perhaps should, be distributed among other co-operative members, it seems that the ultimate responsibility for adequate records and general book-keeping is the Co-ordinators.

Stage 2. Established Co-operative.

In addition to the above functions a Co-ordinator:

- \* Acts as a consultant on all matters managerial, administrative and developmental
- \* Prepare monthly financial statements
- \* Prepare Annual Report
- \* Develop, in consultation with Workers and Directors, any submissions for further funding
- \* Establish and maintain marketing support
- \* Consult with workers and directors in devising a future strategy
- \* Act as continuing PR person for co-operative with media and the community

Allied to the above is the on-going commitment to the principle of democratic decision making which is fundamental to a Co-operative structure. In order to have a dynamic participatory democracy however, workers have to be encouraged to use their initiative and their decision making power as Co-operative members.

Finally however, sometimes a Co-ordinator must intervene to make sure decisions are made to effect policy!

## COMMITMENT, POWER & CO-OPERATING

The participants' comments above reflect the general conference response. One of the major undercurrents in conference discussions on roles of co-operative personnel - director, manager, worker and member - was the difficulty encountered in translating co-operative theory into day-to-day practice. The principle of participatory democracy basic to co-operatives was endorsed by all participants. However some of the factors which can obstruct the practice of that fundamental principle were also touched on.

In brief the central areas of tension in community-based employment co-operatives were posed in the following questions:

- \* How can directors - people with a strong commitment to their co-operative - best utilise their business skills and expertise?
  
- \* How can co-operative members best allocate time and energy to their co-operative whilst maintaining commitment to their other, equally significant, interests?
  
- \* Since directors and workers often come from different work/educational backgrounds, how can full participation in decision-making be facilitated and encouraged?
  
- \* Workers often see or are seen to be employees rather than co-operators in a co-operative. How can this be resolved?
  
- \* Initially workers often do not possess the skills and confidence to fully participate in decision-making... how can this be overcome?
  
- \* Once all co-operative personnel are aware of their rights and responsibilities, how does one ensure these are met?

## WORKER BASED & COMMUNITY BASED CO-OPERATIVES

The differences between worker/participant-based and community-based co-operatives became a focus for many conference participants who saw the resolution of the problems in community-based groups as impossible. From the participant comments recorded above it is obvious that, for some, worker-based co-operatives were preferable structures — ones which by-passed the stated problems of power and commitment in community-based groups.

Before examining in greater detail the organisational structure of community-based co-operatives and the relationship of that structure to participation by co-operative members, it is worth noting the main features of the composition of both worker-based and community-based groups.

### Worker-based

Initiated by unemployed for themselves or by workers who want more say in their work environment, e.g. flexible hours, job rotation, etc.

Requires a continuing high degree of commitment of time, expertise and resources

Since workers depend on the success of the enterprise for their livelihood they *may* be more committed

Since workers depend on the success of the enterprise any sign of problems may dampen their commitment

The added work of 'directing' requires skills which workers must learn. It is extra work rather than extra power

The co-operative/collective can drain the energy of those involved. Enthusiasm may wane

### Community-based

Initiated *by* concerned people in the community *for* the needy, the unemployed

Requires a continuing high degree of commitment of time, expertise and resources

Since community people don't depend economically on the co-operative their commitment *may* wane

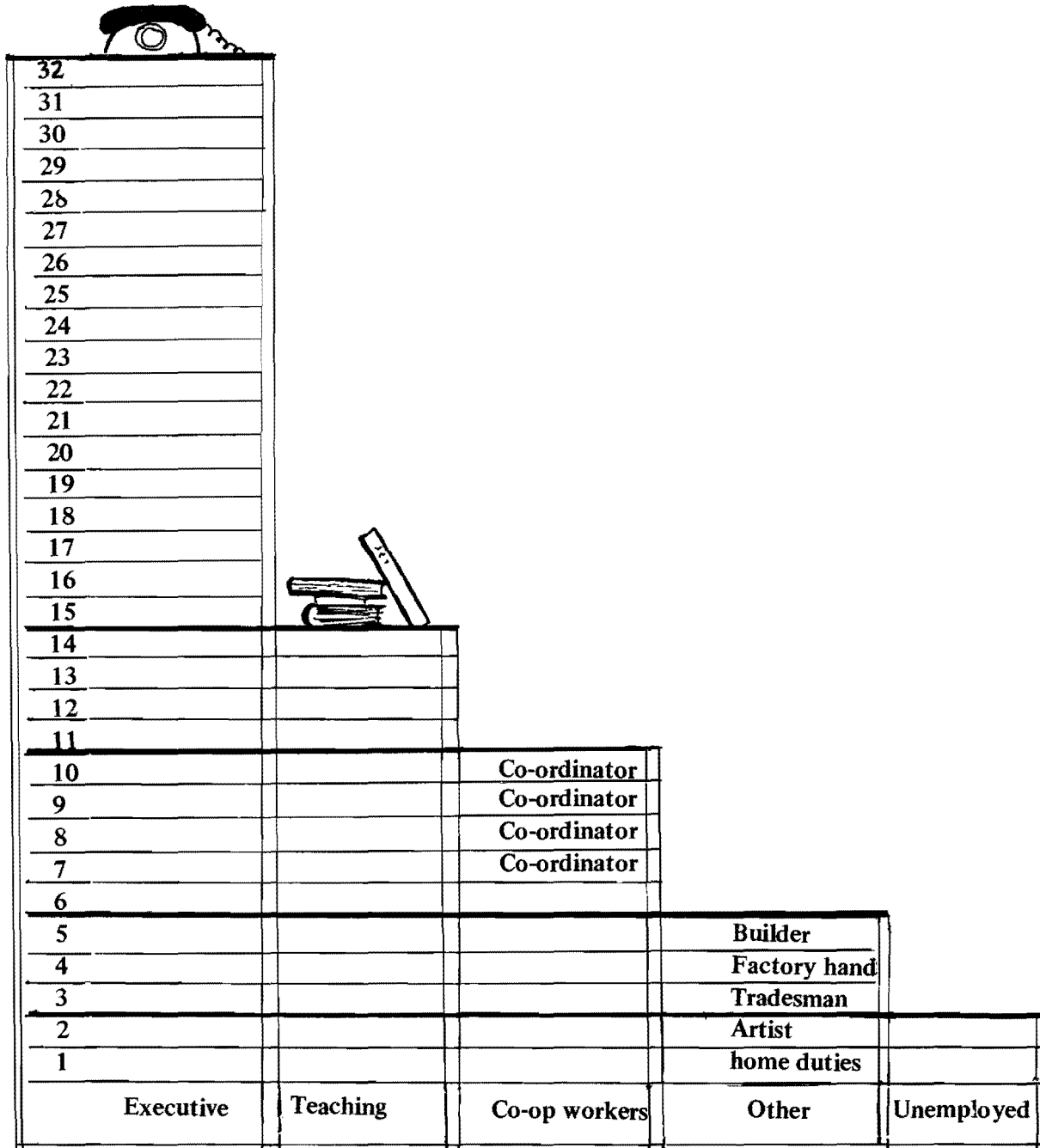
Since community people are aware that the venture must succeed in order to provide stable employment for its workers their commitment may strengthen

The work-experience background of community directors can be seen as a co-operative sharing of expertise and skills rather than a co-opting of power

The work involved may be inspiring to those who earn their living in traditional jobs. Their enthusiasm can grow

# DIRECTORIAL BOARDS – COMMUNITY EMPLOYMENT CO-OPERATIVES

To look more closely at some community-based employment co-operatives, the following histogram represents the distribution, by occupation, of the sixty-three Directors in the group of thirteen co-operatives surveyed by the Vocational Orientation Centre (see page 3 )



## STRUCTURE OF COMMUNITY BASED CO-OPERATIVES

Whilst it is undeniable that many community-based co-operatives were predicated on the 'them' (the unemployed, the young, the needy) and 'us' (the providers) syndrome, that initial motivating force need not continue to dominate either the organisational structure or the direction of the co-operative.

The bias towards Professional/Executive occupations is immediately obvious - 75% of directors are from that work background. In relations to the points raised by participants (pages 28 to 32) it must be stated that :

- \* other worthwhile commitments do not automatically lead to a dilution of a director's commitment to his/her co-operative
- \* the skills acquired by directors in pursuit of their individual occupations can be invaluable in establishing and maintaining a co-operative business
- \* lack of time and accessibility, due to other commitments, is not a problem for all community-based co-operatives. Where it is a problem, it must be voiced and rectified by co-operative members asserting their rights as co-operators.

Organisational tensions within a co-operative group can not be so easily attributed to the composition of a Directorial Board. Any problems, of communication, of commitment, or of lack of participation in decision-making must be seen as a two-way problem. It is true that worker-based co-operatives have their original members from those who later work in and use their resources. So too is the worker involvement on their Directorial Board far greater than in most community-based groups.

However, to see worker-based co-operatives as a panacea - to idealise them as problem-free and intrinsically superior to community-based co-operatives is to enter into an unhealthy competitiveness when the co-existence of both groups should be a priority. Such an assessment also sidesteps both the benefits and problems which are part of both groups and the challenge of seeking and finding solutions to problems whilst building on resources.

## BASES FOR CO-OPERATIVES

One of primary aims in offering Education and Training to co-operatives is to focus on the problems related to translating the ideal or theory of participatory democracy into practice and to proffer possible solutions to those problems. The statement made by a worker in the Ballarat Employment Co-operative points to one such solution in relation to worker involvement - namely, that full worker participation is possible when workers are:

- \* fully aware of their rights
- \* committed to asserting those rights in order to fulfill their responsibilities as co-operators

Awareness of and commitment to that ideal is, of course, only half the picture. For their part, Directors and/or managers must be committed to both encouraging and facilitating full worker involvement in all decision-making.

# Appendices

## PLANNING

Part of the aim in briefly outlining the planning process, which manifested itself in the Workshops/Conference, is to provide a sound information base from which people can opt to participate in future planning and to encourage such participation.

The initial meetings to plan the Co-operative Education and Training Pilot Project (November 30th - December 13th, 1981) were held in June of that year. These meetings had their genesis in the two-day Co-operative Education Workshop at Ballarat on May 23rd and 24th, 1981. It was that Workshop which provided the impetus for members of the Co-operatives to later meet to discuss, in detail, their immediate and on-going Education and Training needs.

### The Planning Group

The Education and Training Planning Group met weekly to discuss the logistics of the timing, appropriate venue, and the overall content/orientation of the proposed Program. That planning group was composed of the following members:

Des Webster, Brunswick Work Co-operative  
 Brian Greer, Co-operative Development Adviser with Co-operative Federation of Victoria  
 David Griffiths, Ministry of Employment and Training  
 Barbara Hammond, Director, Vocational Orientation Centre

Only one person actively involved in a co-operative - Des Webster of BWC - contributed to the planning process. Certainly the Melbourne base of the planning meetings made it difficult for country co-operative personnel to contribute directly. It is hoped that future planning groups will incorporate a wider cross-section of co-operative personnel.

The final process leading to the convening of the Project is outlined below:

Thursday October 29	<ul style="list-style-type: none"> <li>* Project Officer Jeannette Fenelon employed and briefed on planning to date</li> <li>* Contact made re Business Training through TAFE</li> <li>* Venues for Conference suggested</li> </ul>
Thursday November 5	<ul style="list-style-type: none"> <li>* Meeting with Co-ordinator of short courses, Whitehorse TC (Graeme Hood) re details of content of Business Training</li> <li>* Evaluation questionnaire planned</li> <li>* Letter to participants</li> <li>* Initial format of December conference devised</li> </ul>
Wednesday November 11	<ul style="list-style-type: none"> <li>* Personnel and papers for Conference discussed</li> <li>* Resources for participants - co-op articles</li> <li>* Small Business material discussed and chosen</li> </ul>
Tuesday November 17	<ul style="list-style-type: none"> <li>* Final evaluation questionnaire for Workshops discussed and ratified</li> <li>* Format and content of Co-op Resource Kit presented by Jenni Dwyer and approved by Planning Group</li> <li>* Letter to participants - final details</li> <li>* Session break-down of Conference</li> </ul>
Wednesday November 25	<ul style="list-style-type: none"> <li>* Change of Conference venue. Letter to participants</li> <li>* Draft Conference agenda devised and discussed</li> <li>* Questions for profile of Co-ops discussed and finalised</li> <li>* Project Officer to gather information</li> </ul>
Tuesday December 1	<ul style="list-style-type: none"> <li>* Problems re questionnaire on Workshop - New draft devised</li> <li>* Draft Conference agenda amended. Final copy approved</li> <li>* Audio-visual resources secured</li> <li>* Resource materials ordered and compiled</li> </ul>
Wednesday December 9	<ul style="list-style-type: none"> <li>* Budget report - costs to date</li> <li>* Discussion re final content of Resource Kit</li> <li>* Questionnaire for final workshop approved</li> <li>* Questionnaire for Conference approved</li> </ul>
Tuesday December 23	<ul style="list-style-type: none"> <li>* Initial analysis of evaluation questionnaires. Discussion re format and content of Evaluation Report and conference Papers</li> </ul>
Thursday January 7	<ul style="list-style-type: none"> <li>* Draft of Conference papers discussed</li> <li>* Evaluation report - length and orientation discussed</li> <li>* Brainstorm on proposed twelve month Education and Training Project - Personnel needed, objectives clarified, content discussed</li> </ul>
Tuesday January 19	<ul style="list-style-type: none"> <li>* Budget update discussed</li> <li>* Conference papers further amended...Discussion to be extended on area of Worker and Community-based co-operatives</li> </ul>
Tuesday January 26	<ul style="list-style-type: none"> <li>* Initial draft of Evaluation Report discussed and appropriate amendments suggested</li> <li>* Quotes for printing of above discussed</li> <li>* Quotes arranged for typesetting and printing of Co-operative Resource Kit</li> </ul>
Tuesday February 2	<ul style="list-style-type: none"> <li>* Amendments to Conference papers presented for further input</li> <li>* Final copy of Evaluation Report written and approved</li> </ul>
Thursday February 11	<ul style="list-style-type: none"> <li>* Evaluation document returned from printers 10/2/82</li> <li>* Amendments to Conference papers discussed</li> <li>* Graphics for Resource Kit discussed and approved</li> </ul>

## LIST OF RESOURCES FOR PARTICIPANTS

- \* Handbook for Small Business  
     Edited by -  
     The Small Business Development Corporation
- \* Selections from Managing the Small Business Series  
     Department of Industry and Commerce  
     Checklist for Starting a Business  
     Sources of finance for small business  
     Marketing  
     Avoiding Management pitfalls  
     Marketing a new product  
     Taxation  
     Credit Management  
     Presenting a case for finance  
     Cash flow - cash management  
     Management for the self-employed  
     Advertising  
     Insurance  
     Selling it  
     Staying up front
- \* Starting a Small Business - Training in Management  
     Trimpac One, Department of Industry and Commerce
- \* Selections from Small Business Aids  
     from the Small Business Development Corporation  
     Help from Accountants  
     Help from lawyers  
     Advertising - Retail Store  
     Danger signals in a small store  
     Breaking the barriers to small business planning  
     Working capital  
     Hints for keeping books  
     Marketing research procedures  
     Applying for a bank loan  
     Responsibilities of a trader to the public  
     General checklist for starting a small business  
     Establishing a retail or service business in Victoria  
     Establishing a manufacturing business in Victoria  
     Cash in the new business  
     Basic insurance policies for a small business  
     Reconciliation of bank statements and the cash book
- \* Articles
  1. Are Co-operatives Good Business - Joseph G. Knapp
  2. Community Co-operatives - A Highlands and Islands Experiment  
     R.S. Storey

Work Co-operatives - An Introduction. Produced by Association of Work Co-operatives NSW



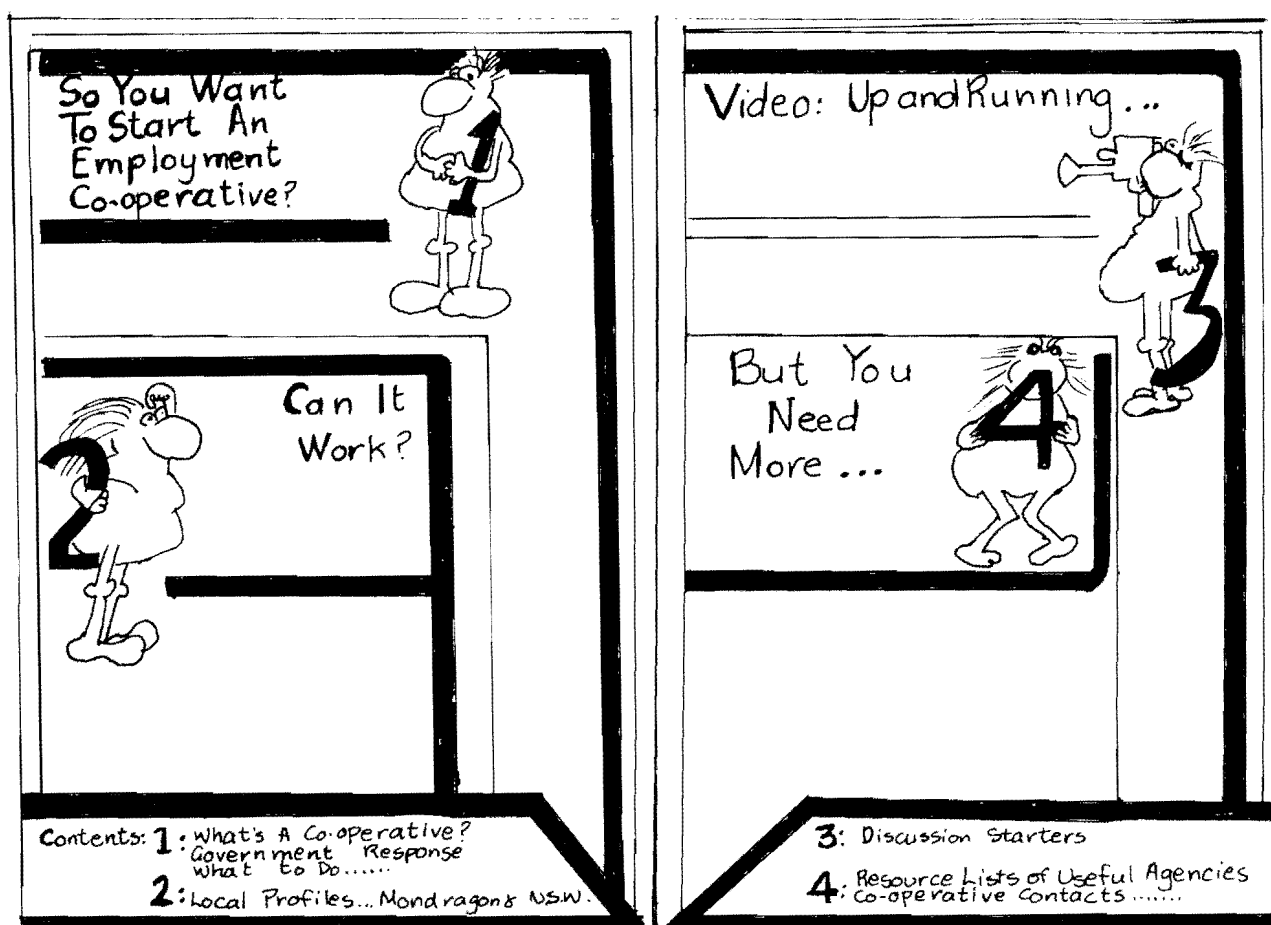
## AVAILABLE RESOURCES

### Co-operative Resource Kit

An information kit for people interested in establishing, or already involved in Employment Co-operatives, has been compiled and designed by the Vocational Orientation Centre.

The kit illustrated below, comes in a sturdy envelope which stores and protects its contents. It is available through the Vocational Orientation Centre Library, or may be purchased for \$3.

### Co-operatives: Working Another Way



Also available through the Vocational Orientation Centre:—

\* A comprehensive bibliography of material related to co-operatives, "Co-operatives: Working Another Way." The bibliography was compiled by Lena Filar-Tarleski.

\* The video 'Up & Running' made through Open Channel is about Victoria's Community Employment Co-operatives.

### ACKNOWLEDGEMENT:

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